

# ECONOMIC INDICATORS®

FAIRFAX COUNTY  
DEPARTMENT OF MANAGEMENT AND BUDGET

JUNE 2018

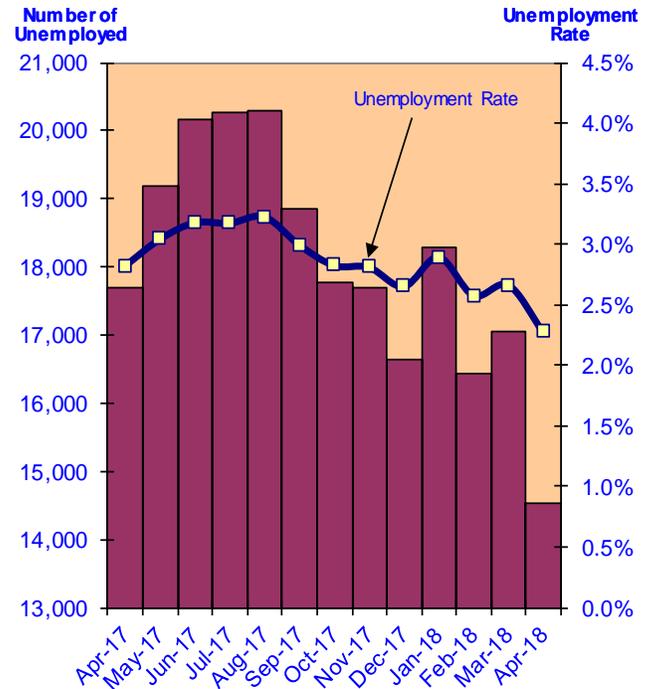
## IN THIS ISSUE:

- The April unemployment rate in Fairfax County decreased to 2.3 percent. (See page 1)
- Sales tax receipts in June were up 2.4 percent. (See page 2)
- The Consumer Confidence Index increased in May after decreasing in April. (See page 2)
- The U.S. economy grew at an annual rate of 2.0 percent in the first quarter of 2018 after growing 2.9 percent in the fourth quarter of 2017. (See page 2)
- The number of homes sold in Fairfax County during May 2018 decreased 2.4 percent from a year earlier. (See page 3)
- In May 2018, the average sales price of all homes sold in Fairfax County increased 4.5 percent compared to the average sale price in May 2017. (See page 3)
- The number of active listings of homes for sale in the County decreased 16.1 percent in May from a year ago. (See page 4)

**Previous issues of this publication can be accessed at:**

<https://www.fairfaxcounty.gov/budget/economic-indicators>

## FAIRFAX COUNTY UNEMPLOYMENT DATA



Source: Virginia Employment Commission. Compiled by the Fairfax County Department of Management and Budget.

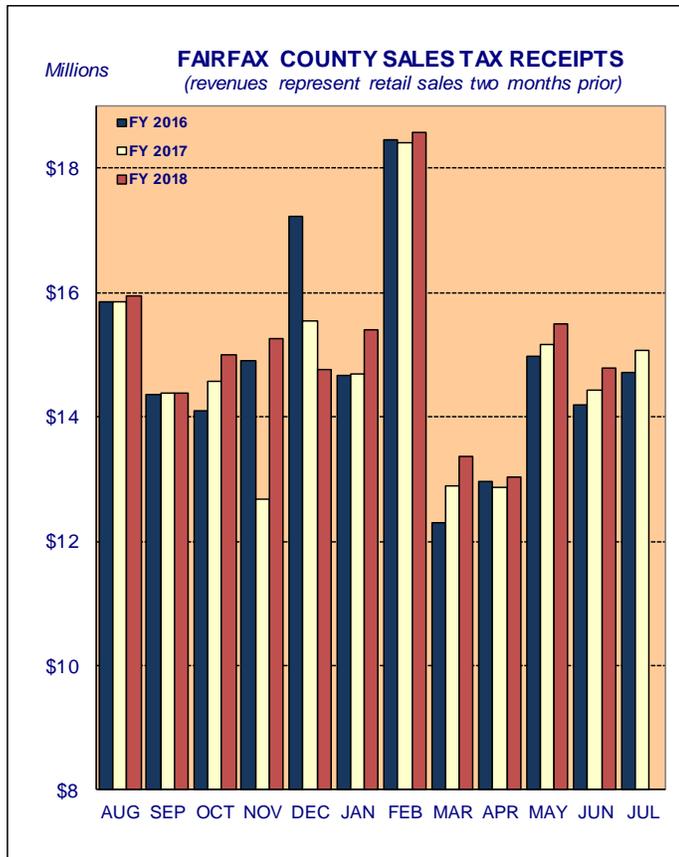
## Employment

Compared to March, the April unemployment rate in Fairfax County decreased 0.4 percentage point to 2.3 percent. The number of unemployed residents decreased over the month from 17,047 to 14,518. The County's unemployment rate was down 0.5 percentage point from April 2017. This is the lowest monthly unemployment rate since April 2008.

In April, the seasonally adjusted unemployment rate in Virginia decreased 0.1 percentage point from March to 3.3 percent. The rate was down 0.5 percentage point from April 2017. This is the lowest monthly unemployment rate since December 2007.

The U.S. seasonally adjusted unemployment rate decreased to 3.9 percent in April, down 0.2 percentage point from March. The rate was down 0.5 percentage point from a year ago and is the lowest monthly unemployment rate since December 2000. Total nonfarm payroll employment increased by 164,000 in April. Over the last three months, job gains have averaged 208,000 per month.

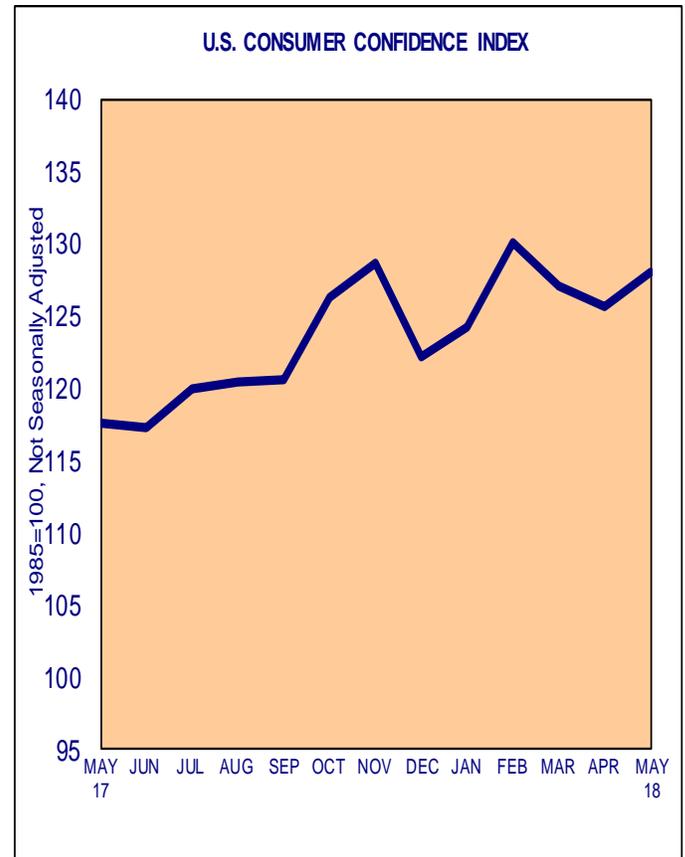
## Sales Tax Receipts



Source: Virginia Department of Taxation. Compiled by the Fairfax County Department of Management and Budget.

Sales Tax receipts distributed to Fairfax County in June for retail purchases made in April were \$14.8 million, an increase of 2.4 percent over June 2017. Through June, FY 2018 Sales Tax receipts are up 2.8 percent compared to the same period of FY 2017.

## Consumer Confidence Index



Source: The Conference Board. Compiled by the Fairfax County Department of Management and Budget.

The Consumer Confidence Index increased in May, following a decline in April and now stands at 128.0 (1985=100), up from 125.6 a month ago. Both the present situation and the expectations component increased. Lynn Franco, Director of Economic Indicators at the Conference Board, said that, "Consumers' assessment of current conditions increased to a 17-year high, suggesting that the level of economic growth in Q2 is likely to have improved from Q1." She added that, "Overall, confidence levels remain at historically strong levels and should continue to support solid consumer spending in the near-term."

## NATIONAL INDICATORS

### Case-Shiller Home Price Indices

Based on the latest available data, home prices in 20 U.S. cities, as measured by the S&P Case-Shiller home price index, increased 6.6 percent for the 12 months ending in April. Home prices in the Washington Metropolitan area posted a 3.2 percent gain during the same period, the second lowest rate of increase among the metropolitan areas in the index. David M. Blitzer, Managing Director and Chairman of the Index Committee, said that, "The favorable economy and moderate mortgage rates both support recent gains in housing." He added that, "One factor pushing prices up is the continued low supply of homes for sale. The months-supply is currently 4.3 months, up from levels below 4 months earlier in the year, but still low."

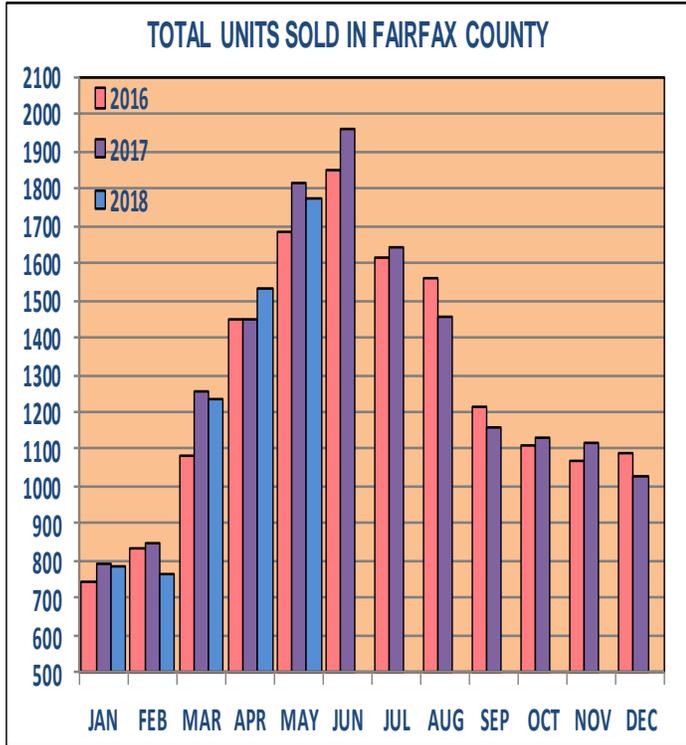
### Gross Domestic Product

According to the final estimate by the Bureau of Economic Analysis (BEA), real gross domestic product (GDP) increased at an annual rate of 2.0 percent in the first quarter of 2018, after growing 2.9 percent in the fourth quarter of 2017. In the previous estimate, the real GDP was reported to have increased 2.2 percent.

# FAIRFAX COUNTY HOUSING MARKET

## Total Home Sales Volume

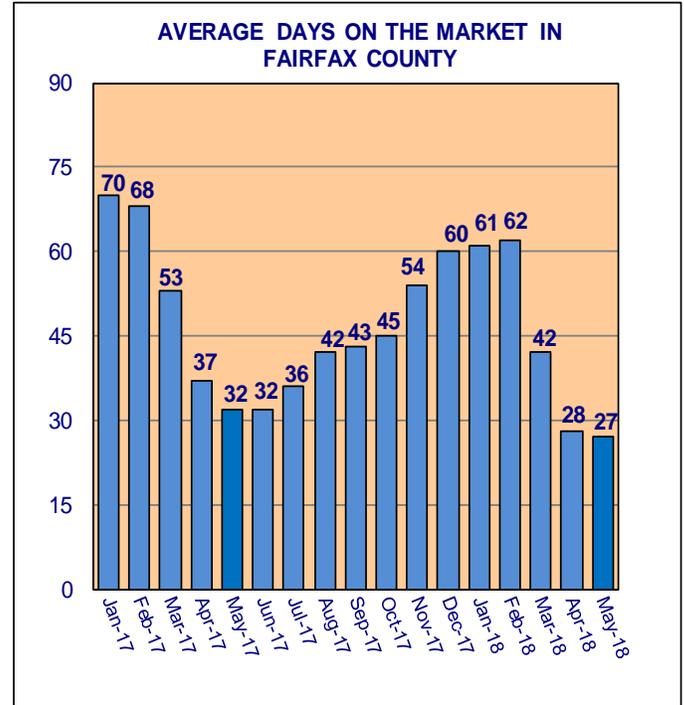
In May, 1,774 homes were sold in Fairfax County, a decrease of 2.4 percent from the 1,817 homes sold in May 2017.



Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

## Average Days on the Market

On average, homes that sold in Fairfax County in May were on the market for 27 days. This is 5 days fewer than the 32 day average in May 2017.



Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

## Average Home Sales Prices

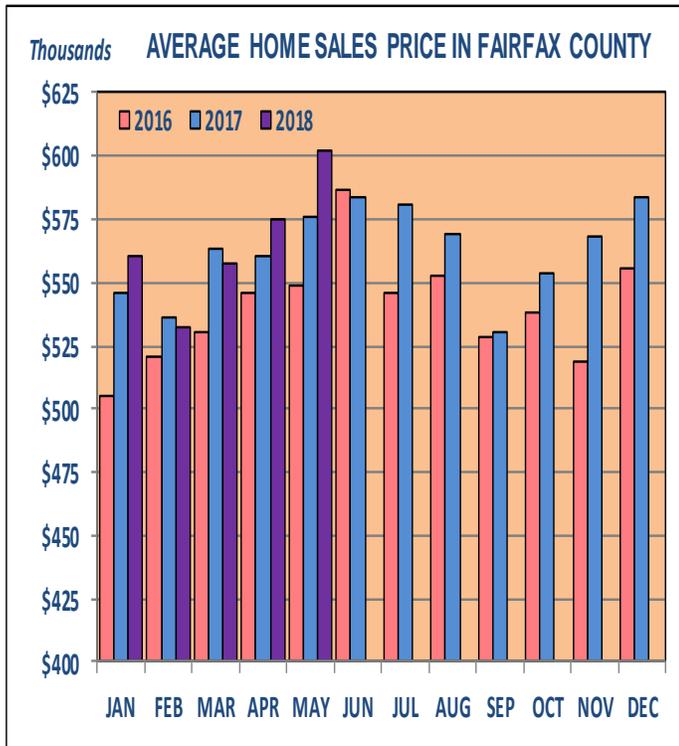
The average sales price of all homes that sold in May 2018 in Fairfax County was \$601,674, an increase of 4.5 percent over the May 2017 average sales price of \$575,862. The average May price was up 6.0 percent compared to the annual 2017 average home sales price of \$567,829.

The average sales price for detached homes that sold in May 2018 was \$796,931, an increase of 8.4 percent over the May 2017 average of \$735,368. The average sales price of attached homes increased 5.7 percent over the same period.

Changes in selling prices and the volume of sales are presented as indicators of the County's real estate market. Average selling price changes do not translate directly into assessment adjustments, since the mix of homes sold is not necessarily reflective of the County's entire housing stock. To read more about Fairfax County tax assessments, please visit: <https://www.fairfaxcounty.gov/taxes/real-estate>

### FAIRFAX COUNTY AVERAGE SALES PRICE OF HOMES SOLD IN MAY 2018 COMPARED TO SALES IN MAY 2017

	MAY 2018	MAY 2017	% Change
All Homes	\$601,674	\$575,862	4.5%
Detached Homes	\$796,931	\$735,368	8.4%
Attached Homes	\$402,414	\$380,629	5.7%



Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

### Inventory of Homes for Sale

The number of active listings in the County in May was 2,696, a decrease of 16.1 percent from the 3,215 listings in May 2017. Based on the May 2018 listings and the current sales rate, there is approximately a 1.5 month supply of homes for sale in the County, less than the 1.8 month supply a year ago.



Source: Real Estate Business Intelligence. Compiled by the Fairfax County Department of Management and Budget.

### 30-Year Fixed Rate Mortgage

According to Freddie Mac, the average 30-year fixed rate mortgage interest rate increased for the eighth straight month to 4.59 percent in May, up from 4.47 percent in April. A year ago, the rate was 4.01 percent. The current rate is at the highest level since September 2013.



Source: Freddie Mac. Compiled by the Fairfax County Department of Management and Budget.

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